In the Claims:

1. (Original) A system comprising:

a stuffed toy having two eyes and an image sensor therein, the sensor comprising a two-dimensional array of optical sensing elements, and being positioned to view out of at least one of said eyes;

a speaker; and

a processor coupled to said image sensor and speaker, the processor comprising a steganographic watermark detector for sensing steganographic watermark data on an object presented to the stuffed toy and triggering an action in response.

2. (Original) A method comprising:

sensing a page or cover of a children's book with an image sensor, the sensor comprising a two-dimensional array of optical sensing elements;

decoding a digital watermark from image data produced by the image sensor; and triggering an action associated with said page or cover.

- 3. (Original) The method of claim 2 wherein said action is speech reciting text from said book.
- 4. (Original) The method of claim 3 wherein said speech is assembled from component phonemes or common words previously recorded by a person.
- 5. (Original) The method of claim 4 wherein said component phonemes or common words are stored locally, and correspond to a child or a child's family member.
- 6. (Original) The method of claim 4 wherein said component phonemes or common words are stored remotely, and correspond to a celebrity voice.
 - 7. (Original) The method of claim 2 wherein said action is playback of music.

Cont

8. (Original) The method of claim 2 wherein said action is retrieving artwork from a data store, and printing said artwork for coloring by a child.

- 9. (Original) The method of claim 2 wherein said action is linking to an internet web site related to said book or its subject matter.
- 10. (Original) The method of claim 2 wherein said action is linking to an interactive multiplayer game related to said book or its subject matter.
- 11. (Original) The method of claim 2 wherein the action is speech, and the speech incorporates both text from the book, and substitute words.
- 12. (Original) The method of claim 11 that includes retrieving said substitute words from a local store.
- 13. (Original) The method of claim 11 that includes soliciting words from a child, recording the child's words, and using said recorded words as said substitute words.
- 14. (Original) The method of claim 11 wherein said substitute words customize the book text to a particular child or locale.
- 15. (Original) The method of claim 11 that further includes sensing a gesture from the image data, and controlling said action in accordance therewith.
- 16. (Original) The method of claim 15 wherein one gesture causes a page from the book to be read-aloud again.
- 17. (Original) The method of claim 15 wherein one gesture controls volume of audio delivered to a speaker.

₽ b

18. (Original) The method of claim 15 wherein one gesture causes text from the book to be read-aloud at a faster speed.

az

- 19. (Original) The method of claim 15 wherein one gesture causes text readaloud from the book to be read using a different voice.
- 20. (Currently Amended) The method of claim 2 that <u>further</u> comprises starting playback of a video at a point corresponding to said page or cover.

21. (New) A method comprising:

providing a book to a child, the book comprising printed pages, each page being steganographically encoded with plural bit data, one page being encoded with first plural bit data and a further page being encoded with second plural bit data different than the first plural bit data;

the child presenting said one page of the book to a reading station, the reading station including a processor, an optical scanner, a memory, and a speaker, the scanner providing visible light scan data to the processor; the processor decoding said visible light scan data to decode the first plural bit data, the processor accessing stored voice data from the memory in accordance with said decoded first plural bit data, and causing said stored voice data to be rendered using said speaker;

the child turning to said further page of the book, and presenting said further page to the reading station, the processor of the reading station decoding visible light scan data corresponding to said further page to decode the second plural bit data, and accessing different stored voice data from the memory in accordance with said decoded second plural bit data, and causing said different stored voice data to be rendered using said speaker;

wherein the child controls an automated read-aloud process, assisting the child in learning to read.

22. (New) A children's book comprising plural pages, one of said pages being steganographically encoded with first plural bit data, and another of said pages being

Cind

steganographically encoded with second, different, plural bit data, said steganographic encoding not being apparent to human observers of the pages, but can be decoded from image data produced by visible light scanning of said pages, wherein the first and second plural-bit data serves to index first and second digitized auditory information, respectively.